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| RMGRR Number | [171](https://www.ercot.com/mktrules/issues/RMGRR171) | RMGRR Title | Changes to Transition Process That Require Opt-in MOU and EC That Are Designating POLR to Provide Mass Transition Methodology to ERCOT |
| Date of Decision | | March 23, 2023 | |
| Action | | Approved | |
| Timeline | | Normal | |
| Effective Date | | April 1, 2023 | |
| Priority and Rank Assigned | | Not applicable | |
| Retail Market Guide Sections Requiring Revision | | 7.11.1, Transition Process of Competitive Retailer’s Electric Service Identifiers to Provider of Last Resort or Designated Competitive Retailer Pursuant to P.U.C. Subst. R. 25.43, Provider of Last Resort (POLR) or CR Voluntarily Leaving the Market  8.1, Municipally Owned Utility and/or Electric Cooperative Transmission and/or Distribution Service Provider Market  9, Appendix J7, Mass Transition Allocation Methodology (new)  9, Appendix J8, Attestation to Confirm Mass Transition Allocation Methodology (new) | |
| Related Documents Requiring Revision/Related Revision Requests | | Nodal Protocol Revision Request (NPRR) 1159, Related to RMGRR171, Changes to Transition Process That Require Opt-in MOU or EC That Are Designating POLR to Provide Mass Transition Methodology to ERCOT | |
| Revision Description | | This Retail Market Guide Revision Request (RMGRR):   * Revises Section 7.11.1 to add new paragraph (2) that establishes the process that an opt-in Municipally Owned Utility (MOU) or opt-in Electric Cooperative (EC) without an affiliated Provider of Last Resort (POLR) that has not delegated authority to designate POLRs to the Public Utility Commission of Texas (PUCT), as applicable, follows to provide its initial POLR allocation methodology and updates and to confirm such allocation methodology; * Revises Section 8.1, Table 1, MOU/EC General Information and Retail Processing Specifications, to show Protocol sections applicable to certain retail transactions and processes in opt-in MOU/EC Transmission and/or Distribution Service Provider (TDSP) service territories corresponding to business processes of each MOU/EC TDSP; * Adds new Section 9, Appendix J7, to establish the form that an opt-in MOU or opt-in EC that does not have an affiliated POLR uses to submit to ERCOT its initial and updated Mass Transition allocation methodology as addressed in revised paragraph (2) of Section 7.11.1; and * Adds new Section 9, Appendix J8, to establish the form that an opt-in MOU or opt-in EC that does not have an affiliated POLR uses to submit to ERCOT its attestation to confirm its Mass Transition methodology. | |
| Reason for Revision | | Addresses current operational issues.  Meets Strategic goals (tied to the [ERCOT Strategic Plan](https://www.ercot.com/files/docs/2018/12/13/ERCOT_Strategic_Plan_2019-2023.pdf) or directed by the ERCOT Board).  Market efficiencies or enhancements  Administrative  Regulatory requirements  Other: (explain)  *(please select all that apply)* | |
| Business Case | | This RMGRR supports an MOU/EC decision process upon entry into retail competition.  The change to Section 7.11.1 requires that opt-in MOUs/ECs without an affiliated POLR and who have not delegated authority to designate POLR to the PUCT, provide their Mass Transition allocation methodology to ERCOT 30 days prior to its effective date. This change also requires updates or confirmation of the methodology every two years.  The change to Section 8.1 communicates elections made by MOU/EC TDSPs for the retail transaction processing options.  The new Section 9, Appendix J7 and Appendix J8, support the revised Mass Transition allocation methodology submission process in Section 7.11.1 through establishing new forms for those submissions. | |
| RMS Decision | | On 1/10/23, RMS voted unanimously to recommend approval of RMGRR171 as revised by RMS. All Market Segments participated in the vote.  On 2/7/23, RMS voted unanimously to endorse and forward to TAC the 1/10/23 RMS Report and the 12/22/22 Impact Analysis for RMGRR171. All Market Segments participated in the vote. | |
| Summary of RMS Discussion | | On 1/10/23, participants noted comments are being developed regarding dual billing and are expected to be submitted in time for review at the February 7, 2023 RMS meeting.  On 2/7/23, participants discussed the 1/26/23 LRITF comments and noted that additional comments are being developed for consideration at the February 20, 2023 TAC meeting. | |
| TAC Decision | | On 2/20/23, TAC voted unanimously to recommend approval of RMGRR171 as recommended by RMS in the 2/7/23 RMS Report. All Market Segments participated in the vote. | |
| Summary of TAC Discussion | | On 2/20/23, TAC reviewed the ERCOT Opinion, ERCOT Market Impact Statement, and Independent Market Monitor (IMM) Opinion for RMGRR171. | |
| Board Decision | | On 2/28/23, the ERCOT Board voted unanimously to recommend approval of RMGRR171 as recommended by TAC in the 2/20/23 TAC Report. | |
| PUCT Decision | | On 3/23/23, the PUCT approved RMGRR171 and accompanying ERCOT Market Impact Statement as presented in Project No. 54445, Review of Rules Adopted by the Independent Organization. | |
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| **Opinions** | | | |
| Credit Review | | Not applicable | |
| Independent Market Monitor Opinion | | The IMM has no opinion on RMGRR171. | |
| ERCOT Opinion | | ERCOT supports approval of RMGRR171. | |
| ERCOT Market Impact Statement | | ERCOT Staff has reviewed RMGRR171 and believes it has a positive market impact by addressing current operational issues through the establishment of a process for opt-in MOUs and ECs without an affiliated POLR to follow in order to provide their initial POLR allocation methodologies, methodology updates, and confirmations. | |

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| Sponsor | |
| Name | Dave Michelsen |
| E-mail Address | [david.michelsen@ercot.com](mailto:david.michelsen@ercot.com) |
| Company | ERCOT |
| Phone Number | 512-248-6740 |
| Cell Number |  |
| Market Segment | Not applicable |

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| **Market Rules Staff Contact** | |
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| **E-Mail Address** | [jordan.troublefield@ercot.com](mailto:jordan.troublefield@ercot.com) |
| **Phone Number** | 512-248-6521 |
|  |  |
| **Comments Received** | |
| **Comment Author** | **Comment Summary** |
| LRITF 012623 | Proposed language to allow considerations of dual billing applications within the Lubbock territory upon opening to retail competition, if necessary |

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| **Market Rules Notes** |

None

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| Proposed Guide Language Revision |

7.11.1 Transition Process of Competitive Retailer’s Electric Service Identifiers to Provider of Last Resort or Designated Competitive Retailer Pursuant to P.U.C. Subst. R. 25.43, Provider of Last Resort (POLR) or CR Voluntarily Leaving the Market

(1) This Section 7.11.1 outlines a transition process that can be used when such circumstances exist pursuant to P.U.C. Subst. R. 25.43, Provider of Last Resort (POLR), referred to herein as a “Mass Transition,” and may include ESI IDs that are transferred to a designated CR as a result of an acquisition pursuant to P.U.C. Subst. R. 25.493, Acquisition and Transfer of Customers from one Retail Electric Provider to Another.

(2) Each opt-in Municipally Owned Utility (MOU) or opt-in Electric Cooperative (EC) without an affiliated POLR that has not delegated authority to designate POLRs to the Public Utility Commission of Texas (PUCT), as applicable to opt-in ECs, must provide its initial POLR allocation methodology to ERCOT no later than 30 days prior to the Customer Choice opt-in date using Section 9, Appendix J7, Mass Transition Allocation Methodology. Should the opt-in MOU or opt-in EC determine the allocation methodology must be changed at any time, such updates must be provided to ERCOT no later than 30 days prior to its effective date or at a time prior to the initiation of a Mass Transition as defined in Section 7.11.1.1, Mass Transition Initiation. All updates to the allocation methodology must be provided using Appendix J7. Confirmation of all allocation methodologies must be submitted to ERCOT prior to January 1st of each odd numbered year using Section 9, Appendix J8, Attestation to Confirm Mass Transition Allocation Methodology.

(3) Market Participants that wish to transfer Customers for reasons other than P.U.C. Subst. R. 25.43 should contact ERCOT Client Relations and the Public Utility Commission of Texas (PUCT) Staff.

(4) Per Protocol Section 16.1.1, Re-Registration as a Market Participant, any Market Participant that has had its Customers dropped via the Mass Transition process must provide to ERCOT a new Data Universal Numbering System (DUNS) Number (DUNS #) to re-register as a Market Participant with ERCOT.

(5) For the purpose of a Mass Transition and the associated timeline, the following definitions shall apply:

(a) Notification Date - Date on which ERCOT sends the initial Mass Transition Market Notice to affected parties informing them that a Mass Transition will occur as a result of a Market Participant default, also known as the pre-Launch stage in the process.

(b) Calendar Day 0 - Date that ERCOT sends 814\_03, Enrollment Notification Request. This can be on the Notification Date.

(c) Mass Transition Date - Scheduled Meter Read Date (SMRD) will be equal to Calendar Day 0 plus two days and will be the date requested in the 814\_03 transaction from ERCOT to the TDSP. POLRs will be responsible for ESI IDs no earlier than the Mass Transition Date.

(6) The processes described in this Section presume that a decision to transfer the ESI IDs has already been made by ERCOT as a result of a Market Participant’s default of the Standard Form Market Participant Agreement with ERCOT.

(7) ERCOT may coordinate periodic testing with Market Participants of Mass Transition processes as defined in this Section and Section 11, Solution to Stacking.

8.1 Municipally Owned Utility and/or Electric Cooperative Transmission and/or Distribution Service Provider Market

(1) In the ERCOT Region, there are Transmission and/or Distribution Service Providers (TDSPs) which are categorized as Municipally Owned Utilities (MOUs) and/or Electric Cooperatives (ECs). General information and processing elections for the MOU/ECs can be found in Table 1, MOU/EC General Information and Retail Processing Specifications.

(2) Differences between the MOU/EC TDSP market and the Investor Owned Utility (IOU) TDSP market are identified in their respective tariffs.

(3) For current tariff information, refer to P.U.C. Subst. R. 25, Appendix V, Tariff for Competitive Retailer Access of a Municipally Owned Utility or Electric Cooperative, and subsection (d)(1), Figure: 16 of P.U.C. Subst. R. 25.214, Terms and Conditions of Retail Delivery Service Provided by Investor Owned Transmission and Distribution Utilities, on the Public Utility Commission of Texas (PUCT) website or the TDSP.

(4) Notable differences between the IOU TDSP market and the MOU/EC TDSP market include, but are not limited to the following:

(a) Billing may be consolidated billing or separate billing (based on Customer Choice) in a MOU/EC TDSP territory versus consolidated billing only by the Competitive Retailer (CR) in an IOU TDSP territory. The MOU/EC TDSP could choose to delegate the consolidated billing to the CR or contract with a third party.

(b) Differences in who the Customer calls to report an outage or make a service request;

(c) In an IOU TDSP territory, the PUCT Customer protection rules apply. However, in a MOU/EC territory, the specific MOU/EC utility service rules apply, which in many cases are different from the PUCT Customer protection rules such as the due date of the bill;

(d) Continuous Service Agreement (CSA) transactions may be processed differently at ERCOT depending on the Retail Processing Specifications of the MOU/EC as indicated in Table 1 below; and

(e) Allocation of Electric Service Identifiers (ESI IDs) during a Mass Transition may follow different processes based on the Retail Processing Specifications of the MOU/EC as noted in Section 7.11.2, Acquisition and Transfer of Customers from one Retail Electric Provider to Another.

**Table 1. MOU/EC General Information and Retail Processing Specifications**

| **MOU/EC** | **Nueces** | **Lubbock Power and Light** |
| --- | --- | --- |
| General Call Center | 361-387-2581 | TBD |
| Website | [www.nueceselectric.org](http://www.nueceselectric.org) | [www.lpandl.com](https://urldefense.com/v3/__http:/www.lpandl.com__;!!DR3VkBMYqM1H!ehOB6C5inGbbtKdxGqoG23x3bXuDOEtX9sirzCERk_i8sCGfEAR1B8nQcYEPt2QUNa7OLeO-UVnd56uSnl5JwSc_YdKTDEUdDhQ$) |
| Continuous Service Agreement (814\_18/814\_19) | Protocol Section(s)  15.1.10, Continuous Service Agreement Competitive Retailer Processing in Municipally  Owned Utility/Electric Cooperative Service Territory  19.3.1, Defined Texas Standard Electronic Transactions   * Paragraph (26)(d)-(e) * Paragraph (27)(d) | Protocol Section(s)  15.1.9, Continuous Service Agreement CR Processing  19.3.1   * Paragraph (26)(a)-(c) * Paragraph (27)(a)-(b) |
| Outage Notification (650\_04) | Protocol Section(s)  19.3.1   * Paragraph (3)(b) | Protocol Section(s)  19.3.1   * Paragraph (3)(a) |
| TDSP Invoice (810\_03/810\_02) | 810\_03  Protocol Section(s)  19.3.1   * Paragraph (6) | 810\_02  Protocol Section(s)  19.3.1   * Paragraph (5) |
| Maintain Customer Information Request (814\_PC/814\_PD) | Protocol Section(s)  19.3.1   * Paragraph (7)(c) * Paragraph (8) | Protocol Section(s)  19.3.1   * Paragraph (7)(a)-(b) * Paragraph (8) |
| Remittance Advice (820\_03/820\_02) | 820\_03  Protocol Section(s)  19.3.1   * Paragraph (39) | 820\_02  Protocol Section(s)  19.3.1   * Paragraph (38) |
| Invoice or Usage Reject Notification (824) | Protocol Section(s)  19.3.1   * Paragraph (40)(d) | Protocol Section(s)  19.3.1   * Paragraph (40)(a) |
| Membership ID | Required | Not Used |

**ERCOT Retail Market Guide**

**Section 9: Appendices**

**Appendix J7: Mass Transition Allocation Methodology**

**TBD**

**Appendix J7**

**Mass Transition Allocation Methodology**

*Reference: Paragraph (2) of Section 7.11.1, Transition Process of Competitive Retailer’s Electric Service Identifiers to Provider of Last Resort or Designated Competitive Retailer Pursuant to P.U.C. Subst. R. 25.43, Provider of Last Resort (POLR) or CR Voluntarily Leaving the Market*

**Note:** This Mass Transition Allocation Methodology must be provided by each opt-in Municipally Owned Utility (MOU) or opt-in Electric Cooperative (EC) without an affiliated Provider of Last Resort (POLR) that has not delegated authority to designate POLRs to the Public Utility Commission of Texas (PUCT).

Name of MOU/EC

Effective Date

Methodology (or specify that it is included as an attachment)

|  |
| --- |
| **MOU/EC AUTHORIZATION**  I affirm that I am an authorized representative of (MOU/EC Name) and that the specified methodology should be used by ERCOT in accordance with Retail Market Guide Section 7.11.1.    (Employee Name) |

**ERCOT Retail Market Guide**

**Section 9: Appendices**

**Appendix J8: Attestation to Confirm Mass Transition Allocation Methodology**

**TBD**

**Appendix J8**

**Attestation to Confirm Mass Transition Allocation Methodology**

*Reference: Paragraph (2) of Section 7.11.1, Transition Process of Competitive Retailer’s Electric Service Identifiers to Provider of Last Resort or Designated Competitive Retailer Pursuant to P.U.C. Subst. R. 25.43, Provider of Last Resort (POLR) or CR Voluntarily Leaving the Market*

**Note:** Confirmation of the Mass Transition Allocation Methodology provided to ERCOT must be provided annually by each opt-in Municipally Owned Utility (MOU) or opt-in Electric Cooperative (EC) in areas of ERCOT in which Customer Choice is in effect, who do not have an affiliated Provider of Last Resort (POLR), and who have not delegated authority to designate POLRs to the Public Utility Commission of Texas (PUCT). If the Methodology currently on file has changes, please submit the form in Section 9, Appendix J7, Mass Transition Allocation Methodology, specifying the new effective date.

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| **MOU/EC ATTESTATION**  I affirm that I am an authorized representative of (MOU/EC Name) and that the Mass Transition Allocation Methodology previously filed with ERCOT and effective on (Effective Date of Methodology) should continue to be used by ERCOT in accordance with Retail Market Guide Section 7.11.1.    (Employee Name) (Attestation Date) |